

***Ford Motor Co. v. Montana Eighth Judicial Dist. Court*, 592 U.S. \_\_\_\_ (2021): No  
Minds Were Blown in the Issuing of this Opinion**

This morning, the United States Supreme Court issued its ruling in *Ford Motor Co. v. Montana Eighth Judicial Dist. Court*, 592 U.S. \_\_\_\_ (2021), and surprisingly, there were no “mind-blowing changes” to the Court’s previous specific personal jurisdiction test. Rather, the Court upheld its prior specific jurisdictional precedential opinions, finding against Ford Motor Company (“Ford”) with respect to its suggested new causation-only approach to personal jurisdiction in products liability cases. Specifically, the Court rejected Ford’s argument that jurisdiction was improper in the combined cases because the particular vehicles involved in the respective crashes were not first sold in the forum States, nor were they designed or manufactured there. Instead, the Court held that “[w]hen a company like Ford serves a market for a product in a State and that product causes injury in the State to one of its residents, the State’s court may entertain the resulting suit.” 592 U.S. \_\_\_, \_\_\_ (2021) (slip. op. at 2).<sup>1</sup>

In reaching this decision, the Court reiterated that the canonical decision in this area remains *International Shoe Co. v. Washington*, 326 U.S. 310 (1945) and that the decision in *Int’l Shoe* “founded specific jurisdiction on an idea of reciprocity between a defendant and a State: When (but only when) a company exercises the privilege of conducting activities within a state—thus enjoying the benefits and protection of its laws—the State may hold the company to account for related misconduct.” *Ford Motor Co.*, 592 U.S. at \_\_\_ (slip op. at 6) (cleaned up). Ford agreed that it had “purposefully availed” itself of the benefits and protections of the forum States by conducting substantial business there and that it had sold the same type of cars in the forum states. Ford also conceded that the subject cars malfunctioned in the forum states. Regardless, Ford argued, “those activities do not sufficiently connect to the suits” because the “needed link must be causal in nature....” *Ford Motor Co.*, 592 U.S. at \_\_\_ (slip op. at 8).

The Court disagreed, pointing out that Ford’s causation-only approach found no support in the Court’s prior precedential opinions concerning specific jurisdiction. *Id.* (“None of our precedents has suggested that only a strict causal relationship between the defendant’s in-state activities and the litigation will do.”). Instead, the “common formulation of the rule” requires that

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<sup>1</sup> To refresh, the combined products liability cases concerned two separate accidents that involved two of Ford’s vehicles—a 1996 Explorer that malfunctioned when the tread separated from the tire and a 1994 Crown Victoria that malfunctioned when an air bag failed to deploy. The plaintiffs sued Ford in the states of Montana and Minnesota respectively, because the accidents occurred in those states. Ford moved to dismiss the cases for lack of personal jurisdiction on “basically identical grounds.” 592 U.S. at \_\_\_ (slip. op. at 3). In both lawsuits, Ford argued that the state only had jurisdiction if the conduct which gave rise to the plaintiffs’ products liability claims (such as manufacturing and design defect claims) occurred in the state. In other words, the “causal link” to support specific jurisdiction in these cases, according to Ford, would only exist in: (1) the states in which the vehicles had been manufactured, (2) the states in which the vehicles had been designed; or (3) the states in which the vehicles were “first sold.” The plaintiffs could not meet the requirements of Ford’s test in either suit because Ford had manufactured the vehicles in Kentucky, had designed the vehicles in Michigan, and had originally sold the cars at issue outside the forum states. 592 U.S. at \_\_\_, (slip. op. at 3). Both the Montana and the Minnesota Supreme Courts rejected Ford’s argument, and Ford appealed the case to the United States Supreme Court.

the suit “arise out of *or relate to* the defendant’s contacts with the forum.” *Id.* (cleaned up). In these cases, the suit related to the defendant’s contacts with the forum because, among others: (1) Ford served the forum state by advertising, selling, and servicing the same products at issue there; and (2) the product malfunctioned in the forum state. *Ford Motor Co.*, 592 U.S. at \_\_\_ (slip op. at 10-12) (“In other words, Ford had systematically served a market in Montana and Minnesota for the very vehicles that the plaintiffs allege malfunctioned and injured them in those States.”).

The Court also pointed out that principles of “interstate federalism” supported jurisdiction in these cases because the states of Montana and Minnesota had significant interests at stake to provide their residents with “a convenient forum for redressing injuries inflicted by out-of-state actors, as well as by enforcing their own safety regulations.” *Ford Motor Co.*, 592 U.S. at \_\_\_ (slip op. at 15) (cleaned up). By contrast, the Court noted, there remains a less significant relationship among the defendant, the forum, and the claims in Washington and North Dakota, where the cars were first sold years ago.

After distinguishing the facts in the combined *Ford* cases with the facts of *Bristol-Myers Squibb Co. v. Superior Court of Cal.*, 582 U.S. \_\_\_, \_\_\_ (2017) and *Walden v. Fiore*, 571 U.S. 277, 285 (2014), the two cases on which Ford primarily relied, the Court concluded its opinion as follows:

Here, resident-plaintiffs allege that they suffered in-state injury because of defective products that Ford extensively promoted, sold, and serviced in Montana and Minnesota. For all the reasons we have given, the connection between the plaintiffs’ claims and Ford’s activities in those States—or otherwise said, the ‘relationship among the defendant, the forum[s], and the litigation’—is close enough to support specific jurisdiction.

*Ford Motor Co.*, 592 U.S. at \_\_\_ (slip op. at 18) (quoting *Walden*, 571 U.S. at 284 (internal quotations omitted)).

Justice Kagan delivered the opinion of the Court, joined by Justices Roberts, Breyer, Sotomayor, and Kavanaugh. Justice Alito filed a concurring opinion, and Justice Gorsuch, joined by Justice Thomas, filed a separate concurring opinion. Justice Barrett took no part in the consideration or decision of these cases. There were no dissenting opinions.